



Panhandle News

BENEWAH, BONNER, BOUNDARY, KOOTENAI & SHOSHONE COUNTIES

ECONOMIC TRENDS

The Coeur d'Alene Metropolitan Statistical Area recently was named one of the 10 best performing small metro areas by the Milken Institute. The index, which Milken publishes annually, measures an area's ability to create and sustain jobs. It ranked Coeur d'Alene sixth among the nation's 179 metro areas under 235,000 population. Based partly on five-year and one-year measurements of employment and salary growth, the index also measures the growth in technology output, which plays a crucial role in regional economic expansion.

In September, the Canadian dollar, also known as the loonie, achieved par with the U.S. dollar for the first time in 30 years. That means Canadians have a lot more buying power than they did two years ago when the loonie was worth 76 cents in the U.S. That's good news for the Panhandle since a lot of Canadians are coming here to shop and play. It also may encourage some Americans, who had planned to ski or tour in Canada to look south of the border.

The change in the U.S.-Canadian exchange rate also benefits the Panhandle's logging companies, sawmills and wood products manufacturers. It's making Canadian lumber, paper and plywood relatively more expensive, helping U.S. companies regain market share.

The dollar also has lost considerable value relative to the euro, which should benefit Panhandle manufacturers since it makes their products comparatively less expensive for Europeans and more competitive with European products in other markets. It also may lead to more Europeans visiting the United States including the Panhandle.

Panhandle Table 1: Coeur d'Alene MSA Labor Force & Employment
Kootenai County

	Aug 2007*	Jul 2007	Aug 2006	% Change From	
				Last Month	Last Year
INDIVIDUALS BY PLACE OF RESIDENCE					
<i>Seasonally Adjusted</i>					
Civilian Labor Force	70,740	70,870	69,300	-0.2	2.1
Unemployed	1,650	1,810	2,640	-8.8	-37.5
% of Labor Force Unemployed	2.3	2.6	3.8		
Total Employment	69,090	69,060	66,660	0.0	3.6
<i>Unadjusted</i>					
Civilian Labor Force	71,940	72,660	70,450	-1.0	2.1
Unemployed	1,310	1,360	2,070	-3.7	-36.7
% of Labor Force Unemployed	1.8	1.9	2.9		
Total Employment	70,630	71,300	68,380	-0.9	3.3
JOBS BY PLACE OF WORK					
Nonfarm Payroll Jobs** - NAICS	59,010	58,790	56,990	0.4	3.5
Goods-Producing Industries	11,880	11,810	11,630	0.6	2.1
Natural Resources & Mining	610	600	500	1.7	22.0
Construction	6,500	6,460	6,320	0.6	2.8
Manufacturing	4,770	4,750	4,810	0.4	-0.8
Wood Product Manufacturing	940	930	1,060	1.1	-11.3
Other Manufacturing	3,830	3,820	3,750	0.3	2.1
Service-Providing Industries	47,130	46,980	45,360	0.3	3.9
Trade, Transportation, & Utilities	11,310	11,280	10,850	0.3	4.2
Wholesale Trade	1,580	1,570	1,540	0.6	2.6
Retail Trade	8,550	8,530	8,150	0.2	4.9
Transportation, Warehousing & Utilities	1,180	1,180	1,160	0.0	1.7
Information	900	920	960	-2.2	-6.3
Financial Activities	3,190	3,170	3,030	0.6	5.3
Professional & Business Services	6,640	6,600	6,270	0.6	5.9
Educational & Health Services	5,530	5,480	5,260	0.9	5.1
Leisure & Hospitality	8,970	8,920	8,630	0.6	3.9
Other Services	1,630	1,630	1,570	0.0	3.8
Government Education	2,810	2,790	2,800	0.7	0.4
Government Administration	5,280	5,320	5,220	-0.8	1.1
Government Tribes	870	870	770	0.0	13.0

* Preliminary estimate

**Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

Cooler, moister weather in early September reduced fire danger in the Panhandle, and the U.S. Forest Service on Sept. 6 lifted restrictions imposed on outdoor activity more than a month earlier, permitting logging operations to return to normal.

AREA DEVELOPMENTS

BONNER COUNTY

- Unicep Packaging is expanding again. The Sandpoint manufacturer of one-dose plastic applicators for medicine, makeup and industrial solvents currently is adding 13 more workers to the 110 people it employs at its 65,000-square-foot facility. It ex-

pects to start making applicators for prescription drugs soon, which would mean 30 more workers over the next couple of years.

- Liquidation World, a chain selling discounted brand-name merchandise, announced in August that it would close 16 stores including those in midtown Coeur d'Alene and in the former Kmart in Ponderay. The stores, which employ seven people each, will close by the end of October.

BOUNDARY COUNTY

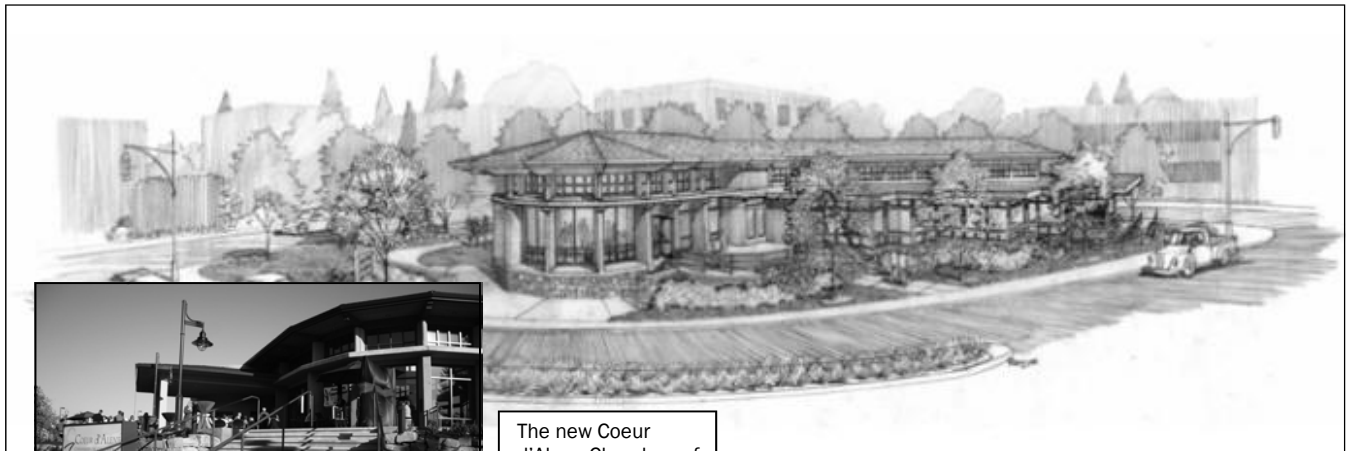
- Jeneen Schuler is busy turning the Naples Inn into a bed and breakfast. The hostel in a 50-year-old dance hall just off U.S. Highway 95 is being renovated into five guest suites and comfortable lounges. One dormitory-style suite sleeps eight people. The Caribou Room can hold up to 130 people for weddings, corporate meetings and other events. Schuler expects the grand opening in early November.
- A soft market for wood products and the unavailability of cedar logs forced a second two-week shutdown at Welco of Idaho, a mill near Naples making Western Red Cedar boards for fences. All 60 full-time workers were back on the job in early September. All workers except those in maintenance had also been furloughed for two weeks in July. At that time, Welco permanently laid off 21 people but has recalled a few since.

KOOTENAI COUNTY

- Cabela's is preparing to open a 125,000-square-foot sporting goods store on Nov. 9 in Post Falls. It recently hired 250 employees for the store and its restaurant. The store, featuring large aquariums and museum-quality displays of animals in their native habitat, is expected to draw a large number of visitors. The centerpiece will be a 28-foot-high indoor mountain complete with waterfall, stream and plenty of outcroppings to display wildlife mounts. The mountain was built by Lakeland Company Inc. in Rathdrum, which specializes in creating grand illusions including forests, deserts, rock formations and ancient ruins for businesses, museums and zoos across the nation. Lakeland has also built the mountains for Cabela's stores in St. Louis and Boise.
- Inc., the monthly business magazine, placed two Coeur d'Alene businesses on its list of the 5,000 fastest growing private companies in the United States. Sunshine Minting Inc., which makes silver rounds and medallions, placed 1,350th because its

revenues grew 266 percent, from \$51.4 million to \$188.3 million. Pita Pit Inc., the healthy fast food company whose U.S. headquarters is in Coeur d'Alene, ranked 1,545th because its revenues grew 231 percent from \$1.1 million in 2003 to \$3.6 million in 2006. As of September, the Pita Pit has 137 pita sandwich restaurants in 38 states with another 20 expected to open by the end of the year.

- Coldwater Creek, the Sandpoint-based national retailer of women's clothing, plans a 100,000-square-foot building at its Coeur d'Alene customer service campus. The two upper levels will contain 50,000 square feet of office space for information technology and other corporate staff while a 130-vehicle parking garage will be below ground. Coldwater Creek also will add 18,000 square feet to its current 60,000-square-foot building for an employee fitness center, larger cafeteria and kitchen facilities and more loading dock and storage capacity. Coldwater Creek employs 350 people, mostly call center workers, at its Coeur d'Alene campus.
- By Design, a publishing company in Hayden, has grown rapidly. Five years ago, Brandon Lee started Home by Design, a home décor magazine that realtors use as a marketing tool. The magazines are personalized with the picture of the realtor on the cover, who can send it to past and potential customers. Now, he and his 65 employees are serving 7,000 realtors and a growing number of insurance agents, bringing in revenues of \$10 million a year. Network Communications Inc., one of the nation's largest publishers of real estate periodicals, recently purchased By Design with the understanding that Lee will remain with the company for at least two years.
- The Coeur d'Alene Area Chamber of Commerce celebrated the grand opening of its \$3 million, 12,000-square-foot building on Sept. 13. Located across from the clock tower, the new building offers spectacular views of Independence Point and Lake Coeur d'Alene. About 50,000 people are expected to visit the 1,700-square-foot tourist center there annually. The chamber's move from midtown to downtown makes it more visible. Because of rapid business growth in the Coeur d'Alene area, the chamber needed more space. In addition to the chamber's 18-member staff, the building houses the Coeur d'Alene Downtown Association, the Coeur d'Alene Arts and Cultural Alliance and



The new Coeur d'Alene Chamber of Commerce building—artist rendering and finished entrance. The building houses several other agencies and businesses.

the Lake City Development Corp., the city's urban renewal agency. In addition, a travel agency is leasing 2,000 square feet on the building's lower level.

- The Rock Joint, a sports bar with a rock 'n' roll theme, recently opened in Hayden, serving pizza, sandwiches, salads, calzones and desserts.
- The shopping plaza next to the Coeur d'Alene Resort has two new tenants. Story Woods Gallery opened in a 2,600-square-foot space in August. The store sells furniture, molding, flooring, picture frames, doors and other wooden objects. Each item comes with a book explaining the item's history. The store also offers paintings, sculpture and pottery by well-known artists. Storybook Bridal Boutique sells evening clothes and other outfits for women as well as wedding clothes and accessories. The original Storybook Bridal Boutique, which opened last winter in Hayden Creek Plaza, will remain open.
- The Sportsman's Plaza near the Coeur d'Alene Costco now is full. A Great Clips hair salon with 10 employees opened there in mid-September. A Nick-n-Willy's Pizza outlet also recently opened. The shop sells gourmet pizzas using hand-tossed dough and it employs a dozen people. Another new tenant, Baby Space, sells maternity clothes, cribs, baby proofing equipment, diaper bags and infant and toddler clothing.
- Business has boomed at the Lakeview Lodge in Harrison since Paul and Suzanne Hoskinson purchased the motel in 2006 and renovated the 10

rooms on the lower level. Next summer, they plan to open the upper level. Offering breath-taking views of the southeastern end of Lake Coeur d'Alene, the motel caters to fishing and biking enthusiasts with attractive rooms and an atmosphere attracting guests to gather around a bonfire at night.

- Big Bear Deli, serving a healthy alternative to fast food, recently opened in Post Falls. Everything on the menu from sandwiches, soups and salads to cupcakes is made from scratch.

SHOSHONE COUNTY

- A \$1.7 million renovation at the Shoshone County Airport in Smelterville, the first in 40 years, will be completed by the end of October. The runway is being elevated four feet to allow planes at opposite ends of the runway to see each other, the safety area between the runway and the interstate overpass is being lengthened and new pilot-controlled lights are being installed on the runway. In addition, new water and sewer lines will connect with McKinley Avenue in Kellogg and Government Gulch. This will allow development of 20 acres north of the airport. County commissioners expect the improvements to increase the Silver Valley's attractiveness to industry. The airport received 95 percent of the renovation's funding from the Federal Aviation Administration, and the rest was evenly split between the state and county.

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